

# SENATE JOURNAL

# STATE OF ILLINOIS

# NINETY-SIXTH GENERAL ASSEMBLY

**42ND LEGISLATIVE DAY** 

THURSDAY, APRIL 30, 2009

12:49 O'CLOCK P.M.

# SENATE Daily Journal Index 42nd Legislative Day

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The Senate met pursuant to adjournment.
Senator Don Harmon, Oak Park, Illinois, presiding.
Prayer by Pastor Jeff Smith, Modesto Christian Church, Modesto, Illinois.
Senator Jacobs led the Senate in the Pledge of Allegiance.

Senator Hunter moved that reading and approval of the Journal of Wednesday, April 29, 2009, be postponed, pending arrival of the printed Journal.

The motion prevailed.

#### REPORT RECEIVED

The Secretary placed before the Senate the following report:

Law Enforcement Camera Grant Act Report, submitted by the Altamont Police Department.

The foregoing report was ordered received and placed on file in the Secretary's Office.

#### MESSAGES FROM THE PRESIDENT

# OFFICE OF THE SENATE PRESIDENT STATE OF ILLINOIS

JOHN J. CULLERTON SENATE PRESIDENT

327 STATE CAPITOL SPRINGFIELD, ILLINOIS 62706

April 30, 2009

Ms. Jillayne Rock Secretary of the Senate Room 401 State House Springfield, IL 62706

Dear Madam Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Louis Viverito to temporarily replace Senator Ira Silverstein as a member of the Senate Financial Institutions Committee. This appointment is effective immediately and will automatically expire upon adjournment of the Senate Financial Institutions Committee.

Sincerely, s/John J. Cullerton Senate President

cc: Senate Minority Leader Christine Radogno

# OFFICE OF THE SENATE PRESIDENT STATE OF ILLINOIS

JOHN J. CULLERTON SENATE PRESIDENT 327 STATE CAPITOL SPRINGFIELD, ILLINOIS 62706

April 30, 2009

Ms. Jillayne Rock Secretary of the Senate Room 401 State House Springfield, IL 62706

Dear Madam Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Linda Holmes to temporarily replace Senator James Clayborne as a member of the Senate Telecommunications & Technology Committee. This appointment is effective immediately and will automatically expire upon adjournment of the Senate Telecommunications & Technology Committee.

Sincerely, s/John J. Cullerton Senate President

cc: Senate Minority Leader Christine Radogno

#### MESSAGE FROM THE HOUSE

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of the following joint resolution, to-wit:

#### **SENATE JOINT RESOLUTION NO. 52**

Concurred in by the House, April 29, 2009.

MARK MAHONEY, Clerk of the House

#### LEGISLATIVE MEASURES FILED

The following Floor amendment to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Assignments:

Senate Floor Amendment No. 2 to Senate Bill 611

The following Committee amendments to the House Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Senate Committee Amendment No. 2 to House Bill 261

Senate Committee Amendment No. 3 to House Bill 261

Senate Committee Amendment No. 2 to House Bill 271

Senate Committee Amendment No. 1 to House Bill 418

Senate Committee Amendment No. 1 to House Bill 489

Senate Committee Amendment No. 1 to House Bill 1143

Senate Committee Amendment No. 1 to House Bill 2675 Senate Committee Amendment No. 1 to House Bill 3217

The following Floor amendments to the House Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Senate Floor Amendment No. 5 to House Bill 442

Senate Floor Amendment No. 1 to House Bill 756

Senate Floor Amendment No. 2 to House Bill 1293

Senate Floor Amendment No. 1 to House Bill 1597

Senate Floor Amendment No. 1 to House Bill 2425

#### REPORTS FROM STANDING COMMITTEES

Senator Delgado, Chairperson of the Committee on Public Health, to which was referred **House Bill No. 810**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

Under the rules, the bill was ordered to a second reading.

Senator Raoul, Chairperson of the Committee on Pensions and Investments, to which was referred **House Bills Numbered 1099, 1148, 2582, 2643, 3656 and 3964,** reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Forby, Chairperson of the Committee on Labor, to which was referred **House Bills Numbered 163, 762, 866, 952, 2445 and 3634,** reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Forby, Chairperson of the Committee on Labor, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 3 to Senate Bill 1715

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Martinez, Chairperson of the Committee on Licensed Activities, to which was referred **House Bills Numbered 68, 1088 and 1150,** reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Martinez, Chairperson of the Committee on Licensed Activities, to which was referred **House Bills Numbered 880, 1119, 1329, 2331 and 3874,** reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

Under the rules, the bills were ordered to a second reading.

Senator Silverstein, Chairperson of the Committee on Executive, to which was referred **House Bills Numbered 35**, **146**, **276**, **571**, **1115**, **1345**, **2370**, **2544**, **2626** and **4075**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Silverstein, Chairperson of the Committee on Executive, to which was referred **House Bills Numbered 547 and 1195**, reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

Under the rules, the bills were ordered to a second reading.

Senator Silverstein, Chairperson of the Committee on Executive, to which was referred **Senate Joint Resolution No. 34**, reported the same back with the recommendation that the resolution be adopted.

Under the rules, Senate Joint Resolution No. 34 was placed on the Secretary's Desk.

Senator Silverstein, Chairperson of the Committee on Executive, to which was referred the following Senate floor amendments, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to Senate Bill 420 Senate Amendment No. 1 to Senate Bill 932

Under the rules, the foregoing floor amendments are eligible for consideration on second reading.

Senator Viverito, Chairperson of the Committee on Revenue, to which was referred **House Bills Numbered 75**, 174, 241, 242, 255, 441, 471, 472, 870, 1055, 1086, 1137, 1197, 1628, 2394, 3666 and 4326, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Viverito, Chairperson of the Committee on Revenue, to which was referred **House Bill No. 3872,** reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

Under the rules, the bill was ordered to a second reading.

Senator Viverito, Chairperson of the Committee on Revenue, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 3 to Senate Bill 1739

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Haine, Chairperson of the Committee on Insurance, to which was referred **House Bills Numbered 244, 394, 812 and 2275,** reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Haine, Chairperson of the Committee on Insurance, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 2 to Senate Bill 240

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Noland, Chairperson of the Committee on Criminal Law, to which was referred **House** Bills Numbered 184, 192, 253, 265, 370, 396, 550, 584, 594, 610, 656, 675, 710, 721, 799, 867, 869, 881, 1116, 2245, 2353, 2513, 2610, 2660, 2669, 2678, 2680, 3714, 3716, 3877, 3885, 4008, 4013, 4049, 4177 and 4198, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Noland, Chairperson of the Committee on Criminal Law, to which was referred **House Bills Numbered 1110, 2474, 2537 and 3681,** reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

Under the rules, the bills were ordered to a second reading.

Senator Noland, Chairperson of the Committee on Criminal Law, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to House Bill 865

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Demuzio, Chairperson of the Committee on State Government and Veterans Affairs, to which was referred House Bills Numbered 49, 50, 77, 237, 282, 457, 480, 655, 706, 820, 897, 1002, 1200, 1332, 1994, 2302, 2376, 2400, 2435, 2644, 3670, 3970, 4027, 4153, 4197, 4199, 4213 and 4236, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Demuzio, Chairperson of the Committee on State Government and Veterans Affairs, to which was referred **House Bill No. 379**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

Under the rules, the bill was ordered to a second reading.

Senator Demuzio, Chairperson of the Committee on State Government and Veterans Affairs, to which was referred **Senate Resolution No. 137**, reported the same back with the recommendation that the resolution be adopted.

Under the rules, **Senate Resolution No. 137** was placed on the Secretary's Desk.

Senator Demuzio, Chairperson of the Committee on State Government and Veterans Affairs, to which was referred **Senate Joint Resolution No. 48**, reported the same back with the recommendation that the resolution be adopted.

Under the rules, **Senate Joint Resolution No. 48** was placed on the Secretary's Desk.

Senator Collins, Chairperson of the Committee on Financial Institutions, to which was referred **House Bills Numbered 348 and 2005**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Holmes, Chairperson of the Committee on Consumer Protection, to which was referred **House Bills Numbered 446, 490, 813, 1142, 1793, 2247, 2286, 2688 and 4088,** reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Holmes, Chairperson of the Committee on Consumer Protection, to which was referred **House Bills Numbered 964, 2322 and 2443,** reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

Under the rules, the bills were ordered to a second reading.

Senator Bond, Chairperson of the Committee on Telecommunications and Information Technology, to which was referred **House Bills Numbered 617 and 3718,** reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Kotowski, Chairperson of the Committee on Commerce, to which was referred **House Bills Numbered 264, 436, 607, 624, 796 and 852,** reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Kotowski, Chairperson of the Committee on Commerce, to which was referred **House Bills Numbered 442, 2470 and 4186,** reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

Under the rules, the bills were ordered to a second reading.

#### PRESENTATION OF RESOLUTIONS

### **SENATE RESOLUTION NO. 248**

Offered by Senator Dillard and all Senators:

Mourns the death of Anthony A. Antoniou of Oak Brook.

By unanimous consent, the foregoing resolution was referred to the Resolutions Consent Calendar.

Senator Risinger offered the following Senate Resolution, which was referred to the Committee on Assignments:

#### SENATE RESOLUTION NO. 249

WHEREAS, The members of the Illinois Senate are pleased to recognize milestone events in Illinois communities; and

WHEREAS, A war is being conducted overseas by the brave men and women of our armed services, who have courageously put the defense of the United States of America above their own personal safety and comfort; and

WHEREAS, It is vital to the success of our troops that we show our support for their service and display our pride in their accomplishments; and

WHEREAS, Tee it Up for the Troops is a non-profit organization established in 2005 to support the fallen and disabled members of our armed forces and their families, as well as to honor all of our veterans and honor their sacrifices; and

WHEREAS, Tee it Up for the Troops has raised over \$1,000,000, which has been donated to military family support programs across the country since 2005; in 2008, over 25 various programs were helped through Tee it Up for the Troops, providing scholarships, transportation, clothing, lodging, sports activities, and kids programs, among many other services; in addition, over 40,000 golf balls, along with clubs, netting, and mats have been sent to the troops overseas, where they have created their own driving ranges and golf holes; and

WHEREAS, The Friday closest to September 11th has been designated by Tee it Up for the Troops, Inc. as the "National Day of Golf" to salute all those that have answered the call of duty; and

WHEREAS, On August 31, 2009, the First Annual Tee it Up for the Troops Central Illinois Golf Classic will be held to support the Wounded Warrior Project, as well as families of Central Illinois servicemen and servicewomen that are currently serving and facing financial challenges as a result of their serving; the event will also establish 10 scholarships for children of financially challenged veterans; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we designate the date of September 11, 2009 as "Tee it Up for the Troops Day" in the State of Illinois; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Tee it Up for the Troops, Inc. as a symbol of our esteem and respect.

Senator Luechtefeld offered the following Senate Joint Resolution, which was referred to the Committee on Assignments:

#### SENATE JOINT RESOLUTION NO. 64

WHEREAS, A portion of Lovett's Pond, in Kincaid Township, was acquired by the Illinois Department of Natural Resources from the Nature Conservancy on or about January 8,2004; and

WHEREAS, James "Gene" Korando has been dedicated to duck hunting in and around Kincaid Township and Lovett's Pond for a number of years; and

WHEREAS, James "Gene" Korando makes a famous duck soup and manufacturers hand-made duck calls that have been used by duck hunters all over the United States; and

WHEREAS, James "Gene" Korando has donated duck calls to different charities and fundraisers over the years; and

WHEREAS, James "Gene" Korando has a big heart and he leaves a profound impact on the people that he meets; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES CONCURRING HEREIN, that Lovett's Pond in Kincaid Township be renamed as the James "Gene" Korando Pond in honor of James Korando and his dedication to the pond; and be it further

RESOLVED, That suitable copies of this resolution be presented to James "Gene" Korando and the Director of Natural Resources

Senator Steans offered the following Senate Joint Resolution, which was referred to the Committee on Assignments:

#### SENATE JOINT RESOLUTION NO. 65

WHEREAS, There is no official statewide data on the health needs of our diverse student populations or the level of services required to meet these needs in this State; and

WHEREAS, Unmet health needs interfere with a student's ability to focus on learning and achieve his or her highest potential; and

WHEREAS, It is our intent to ensure that students are healthy and ready to learn and to provide health service resources to enable all students to access education equally; and

WHEREAS, It is also our intent to support and sustain the healthy development of youth in partnership with parents, schools, health care providers, community organizations, and governmental agencies in keeping with the goals and objectives of Healthy People 2010; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES CONCURRING HEREIN, that we respectfully request that the State Board of Education, the Department of Human Services School Health Program, and the Department of Public Health Division of Chronic Disease Prevention and Control establish a task force to study and compile a report on:

- (1) Identification of current student health needs and the level of health services required to address such needs;
- (2) Regulatory conflicts that limit delivery of school health services to students in need along with possible solutions; and
- (3) Needed support for and monitoring of school health services; and be it further

RESOLVED, That the task force shall consist of no more than 15 members appointed jointly by a working group of the three State agencies; the task force shall include one member from each of the agencies as well as additional members that shall be selected by the working group from organizations representing, at a minimum, the following interests: school administrators, school board members, school nurses, nurses, school health advocates, school health centers, physician groups, teacher unions, and parents; additional members may be determined at the discretion of the State agencies; and be it further

RESOLVED, That the task force shall submit its report to the General Assembly by January 1, 2010; and be it further

RESOLVED, That suitable copies of this resolution shall be delivered to the State Superintendent of Education, the Secretary of Human Services, and the Director of Public Health.

#### READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Noland, **Senate Bill No. 256**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 50; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Kotowski	Radogno
Bivins	Frerichs	Lauzen	Raoul
Bomke	Garrett	Lightford	Righter
Bond	Haine	Link	Risinger
Brady	Harmon	Luechtefeld	Schoenberg
Burzynski	Holmes	Maloney	Steans
Collins	Hultgren	Martinez	Sullivan
Crotty	Hunter	McCarter	Syverson
Dahl	Hutchinson	Millner	Viverito
Delgado	Jacobs	Munoz	Wilhelmi
Demuzio	Jones, E.	Murphy	Mr. President
Dillard	Jones, J.	Noland	
Duffy	Koehler	Pankau	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

#### SENATE BILL RECALLED

On motion of Senator Schoenberg, Senate Bill No. 420 was recalled from the order of third reading to the order of second reading.

Senator Schoenberg offered the following amendment and moved its adoption:

## AMENDMENT NO. 1 TO SENATE BILL 420

AMENDMENT NO. \_1\_. Amend Senate Bill 420 by replacing everything after the enacting clause with the following:

"Section 5. The Governmental Joint Purchasing Act is amended by changing Sections 2, 3, and 4 as follows:

(30 ILCS 525/2) (from Ch. 85, par. 1602)

Sec. 2. Joint purchasing authority.

- (a) Any governmental unit may purchase personal property, supplies and services jointly with one or more other governmental units. All such joint purchases shall be by competitive bids as provided in Section 4 of this Act. The provisions of any other acts under which a governmental unit operates which refer to purchases and procedures in connection therewith shall be superseded by the provisions of this Act when the governmental units are exercising the joint powers created by this Act.
- (a-5) The Department of Central Management Services may purchase personal property, supplies, and services jointly with a governmental entity of another state or with a consortium of governmental entities of one or more other states. Subject to provisions of the joint purchasing solicitation, the Department of Central Management Services may designate the resulting contract as available to governmental units in Illinois.
- (b) Any not-for-profit agency that qualifies under Section 45-35 of the Illinois Procurement Code 7-1 of the Illinois Purchasing Act and that either (1) acts pursuant to a board established by or controlled by a unit of local government or (2) receives grant funds from the State or from a unit of local government,

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shall be eligible to participate in contracts established by the State. (Source: P.A. 87-960.)

(30 ILCS 525/3) (from Ch. 85, par. 1603)

Sec. 3. <u>Conduct of bid-letting. Under any Any</u> agreement of the governmental units that which desire to make joint purchases <u>pursuant to subsection (a) of Section 2</u>, one of the governmental units shall conduct the letting of bids. Where the State of Illinois is a party to the joint purchase agreement, the Department of Central Management Services shall conduct the letting of bids. Expenses of such bid-letting may be shared by the participating governmental units in proportion to the amount of personal property, supplies or services each unit purchases.

When the State of Illinois is a party to the joint purchase agreement <u>pursuant to subsection (a) of Section 2</u>, the acceptance of bids shall be in accordance with the Illinois Procurement Code and rules promulgated under that Code. When the State of Illinois is not a party to the joint purchase agreement, the acceptance of bids shall be governed by the agreement.

When the State of Illinois is a party to a joint purchase agreement pursuant to subsection (a-5) of Section 2, the State may act as the lead state or as a participant state. When the State of Illinois is the lead state, all such joint purchases shall be conducted in accordance with the Illinois Procurement Code. When Illinois is a participant state, all such joint purchases shall be conducted in accordance with the procurement laws of the lead state; provided that all such joint procurements must be by competitive sealed bid. All resulting awards shall be published in the appropriate volume of the Illinois Procurement Bulletin as may be required by Illinois law governing publication of the solicitation, protest, and award of Illinois State contracts. Contracts resulting from a joint purchase shall contain all provisions required by Illinois law and rule.

The personal property, supplies or services involved shall be distributed or rendered directly to each governmental unit taking part in the purchase. The person selling the personal property, supplies or services may bill each governmental unit separately for its proportionate share of the cost of the personal property, supplies or services purchased.

The credit or liability of each governmental unit shall remain separate and distinct. Disputes between bidders and governmental units shall be resolved between the immediate parties. (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

(30 ILCS 525/4) (from Ch. 85, par. 1604)

Sec. 4. <u>Bids.</u> The purchases of all personal property, supplies and services under this Act shall be based on competitive, sealed bids. <u>For purchases pursuant to subsection (a) of Section 2, bids Bids</u> shall be solicited by public notice inserted at least once in a newspaper of general circulation in one of the counties where the materials are to be used and at least 5 calendar days before the final date of submitting bids. Where the State of Illinois is a party to the joint purchase agreement, public notice soliciting the bids shall be inserted in the <u>appropriate volume of the Illinois Procurement Bulletin official newspaper of the State</u>. Such notice shall include a general description of the personal property, supplies or services to be purchased and shall state where all blanks and specifications may be obtained and the time and place for the opening of bids. The governmental unit conducting the bid-letting may also solicit sealed bids by sending requests by mail to prospective suppliers and by posting notices on a public bulletin board in its office.

All purchases, orders or contracts shall be awarded to the lowest responsible bidder, taking into consideration the qualities of the articles or services supplied, their conformity with the specifications, their suitability to the requirements of the participating governmental units and the delivery terms.

Where the State of Illinois is not a party, all bids may be rejected and new bids solicited if one or more of the participating governmental units believes the public interest may be served thereby. Each bid, with the name of the bidder, shall be entered on a record, which record with the successful bid indicated thereon shall, after the award of the purchase or order or contract, be open to public inspection. A copy of all contracts shall be filed with the purchasing agent or clerk or secretary of each participating governmental unit.

(Source: P.A. 76-641.)

Section 99. Effective date. This Act takes effect January 1, 2010.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

#### READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Schoenberg, **Senate Bill No. 420**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 49; NAYS None.

The following voted in the affirmative:

Althoff	Forby	Lauzen	Raoul
Bivins	Frerichs	Lightford	Righter
Bomke	Garrett	Link	Risinger
Bond	Haine	Luechtefeld	Schoenberg
Brady	Harmon	Maloney	Steans
Burzynski	Holmes	Martinez	Sullivan
Collins	Hultgren	McCarter	Syverson
Crotty	Hunter	Millner	Viverito
Dahl	Hutchinson	Munoz	Wilhelmi
Delgado	Jones, E.	Murphy	Mr. President
Demuzio	Jones, J.	Noland	
Dillard	Koehler	Pankau	
Duffy	Kotowski	Radogno	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

# SENATE BILL RECALLED

On motion of Senator Haine, Senate Bill No. 240 was recalled from the order of third reading to the order of second reading.

Senator Haine offered the following amendment and moved its adoption:

#### AMENDMENT NO. 2 TO SENATE BILL 240

AMENDMENT NO. 2\_. Amend Senate Bill 240, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Medical Sharing Trust Act.

Section 5. Definitions. In this Act:

"Medical Sharing Trust" means an organization that facilitates payment of the medical expenses of its participants as provided in Section 20 of this Act, and complies with all provisions of this Act and of the Illinois Charitable Trust Act.

Section 10. Exemptions. An organization complying with this Act as a Medical Sharing Trust is not subject to the provisions of the Illinois Insurance Code, except that a Medical Sharing Trust offering any services other than those services offered by a Medical Sharing Trust that are regulated under any provision of the Illinois Insurance Code shall be required to comply with the Illinois Insurance Code with respect to the provision of those services.

Section 15. Registration requirements for a Medical Sharing Trust. No Medical Sharing Trust shall be offered, issued, sold, or solicited to participants in this State as exempt under Section 10 of this Act unless the Medical Sharing Trust has complied with all requirements set forth in Sections 5 and 20 of this Act and submitted all of the following to the Attorney General:

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- (1) The name of the Medical Sharing Trust.
- (2) A list identifying the Medical Sharing Trust's executive officer or officers directly responsible for the Medical Sharing Trust's business.
- (3) The name and address of the Medical Sharing Trust's agent for service of process in this State, if other than the Medical Sharing Trust.
- (4) A true and accurate copy of all forms used for participants' application and agreements with the organization.
- (5) A certified copy of its Certificate of Authority to do business from the Illinois Secretary of State.
- (6) Proof that the Medical Sharing Trust is controlled by a board of directors, the majority of which is elected by the members of the Medical Sharing Trust.

Section 20. Operation of a Medical Sharing Trust.

- (a) A Medical Sharing Trust may facilitate payments between participants who have present medical needs and participants with the ability to pay for the benefits of those participants in need. A Medical Sharing Trust is prohibited from assuming liability for or guaranteeing payment of any medical expenses.
- (b) All participants shall execute a release stating that no other participants or the Medical Sharing Trust shall be legally obligated in any way to pay for a medical need.
- (c) A Medical Sharing Trust may facilitate the payments provided for in paragraph (a) of this Section 20 through payments made directly from one participant to another.
- (d) A Medical Sharing Trust may cancel the membership of a participant when that participant indicates their unwillingness to participate by failing to make a payment to another participant for a period in excess of 60 days.
- (e) A Medical Sharing Trust may establish qualifications of participation relating to the health of the prospective participant.
- (f) A Medical Sharing Trust may establish qualifications as to the participants' physical or medical needs necessary for eligibility for payment among the participants.
- (g) A Medical Sharing Trust shall provide the following verbatim written disclaimer on all applications for membership or participation:

"WARNING: This organization is not insurance or an insurance policy nor is it offered

through an insurance company. Whether anyone chooses to assist you with your medical bills will be totally voluntary, as no other member will be compelled by law to contribute toward your medical bills. As such, this organization should never be considered to be providing insurance. Whether you receive any payments for medical expenses and whether or not this organization continues to operate, you are always personally responsible for the payment of your own medical bills. This organization is not subject to the regulatory requirements of the Illinois Insurance Code.".

(h) A Medical Sharing Trust shall provide to its participants, within 30 days of enrollment, a complete set of its rules for the sharing of needs, appeals of decisions made by the Medical Sharing Trust, and the filing of complaints in the participant's native language if requested by the participant.

Section 99. Effective date. This Act takes effect upon becoming law.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

#### READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Haine, **Senate Bill No. 240**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 50; NAYS None.

The following voted in the affirmative:

Althoff Forby Kotowski Radogno **Bivins** Frerichs Lauzen Raoul Bomke Garrett Lightford Righter Haine Link Bond Risinger Brady Harmon Luechtefeld Schoenberg Burzynski Holmes Maloney Steans Collins Hultgren Martinez Sullivan Crottv Hunter McCarter Svverson Dahl Hutchinson Millner Viverito Delgado Jacobs Munoz Wilhelmi Murphy Demuzio Mr President Jones, E. Dillard Noland Jones, J. Duffy Koehler Pankau

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

#### SENATE BILL RECALLED

On motion of Senator Schoenberg, **Senate Bill No. 1739** was recalled from the order of third reading to the order of second reading.

Senator Schoenberg offered the following amendment and moved its adoption:

#### **AMENDMENT NO. 3 TO SENATE BILL 1739**

AMENDMENT NO. <u>3</u>. Amend Senate Bill 1739, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Income Tax Act is amended by changing Section 304 as follows:

(35 ILCS 5/304) (from Ch. 120, par. 3-304)

Sec. 304. Business income of persons other than residents.

- (a) In general. The business income of a person other than a resident shall be allocated to this State if such person's business income is derived solely from this State. If a person other than a resident derives business income from this State and one or more other states, then, for tax years ending on or before December 30, 1998, and except as otherwise provided by this Section, such person's business income shall be apportioned to this State by multiplying the income by a fraction, the numerator of which is the sum of the property factor (if any), the payroll factor (if any) and 200% of the sales factor (if any), and the denominator of which is 4 reduced by the number of factors other than the sales factor which have a denominator of zero and by an additional 2 if the sales factor has a denominator of zero. For tax years ending on or after December 31, 1998, and except as otherwise provided by this Section, persons other than residents who derive business income from this State and one or more other states shall compute their apportionment factor by weighting their property, payroll, and sales factors as provided in subsection (h) of this Section.
  - (1) Property factor.
  - (A) The property factor is a fraction, the numerator of which is the average value of the person's real and tangible personal property owned or rented and used in the trade or business in this State during the taxable year and the denominator of which is the average value of all the person's real and tangible personal property owned or rented and used in the trade or business during the taxable year.
  - (B) Property owned by the person is valued at its original cost. Property rented by the person is valued at 8 times the net annual rental rate. Net annual rental rate is the annual rental rate paid by the person less any annual rental rate received by the person from sub-rentals.
  - (C) The average value of property shall be determined by averaging the values at the beginning and ending of the taxable year but the Director may require the averaging of monthly values during the taxable year if reasonably required to reflect properly the average value of the person's

property.

- (2) Payroll factor.
- (A) The payroll factor is a fraction, the numerator of which is the total amount paid in this State during the taxable year by the person for compensation, and the denominator of which is the total compensation paid everywhere during the taxable year.
  - (B) Compensation is paid in this State if:
    - (i) The individual's service is performed entirely within this State;
  - (ii) The individual's service is performed both within and without this State, but the service performed without this State is incidental to the individual's service performed within this State: or
  - (iii) Some of the service is performed within this State and either the base of operations, or if there is no base of operations, the place from which the service is directed or controlled is within this State, or the base of operations or the place from which the service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this State.
    - (iv) Compensation paid to nonresident professional athletes.
  - (a) General. The Illinois source income of a nonresident individual who is a member of a professional athletic team includes the portion of the individual's total compensation for services performed as a member of a professional athletic team during the taxable year which the number of duty days spent within this State performing services for the team in any manner during the taxable year bears to the total number of duty days spent both within and without this State during the taxable year.
  - (b) Travel days. Travel days that do not involve either a game, practice, team meeting, or other similar team event are not considered duty days spent in this State. However, such travel days are considered in the total duty days spent both within and without this State.
    - (c) Definitions. For purposes of this subpart (iv):
      - (1) The term "professional athletic team" includes, but is not limited to, any professional baseball, basketball, football, soccer, or hockey team.
    - (2) The term "member of a professional athletic team" includes those employees who are active players, players on the disabled list, and any other persons required to travel and who travel with and perform services on behalf of a professional athletic team on a regular basis. This includes, but is not limited to, coaches, managers, and trainers.
    - (3) Except as provided in items (C) and (D) of this subpart (3), the term "duty days" means all days during the taxable year from the beginning of the professional athletic team's official pre-season training period through the last game in which the team competes or is scheduled to compete. Duty days shall be counted for the year in which they occur, including where a team's official pre-season training period through the last game in which the team competes or is scheduled to compete, occurs during more than one tax year.
      - (A) Duty days shall also include days on which a member of a professional athletic team performs service for a team on a date that does not fall within the foregoing period (e.g., participation in instructional leagues, the "All Star Game", or promotional "caravans"). Performing a service for a professional athletic team includes conducting training and rehabilitation activities, when such activities are conducted at team facilities.
      - (B) Also included in duty days are game days, practice days, days spent at team meetings, promotional caravans, preseason training camps, and days served with the team through all post-season games in which the team competes or is scheduled to compete.
      - (C) Duty days for any person who joins a team during the period from the beginning of the professional athletic team's official pre-season training period through the last game in which the team competes, or is scheduled to compete, shall begin on the day that person joins the team. Conversely, duty days for any person who leaves a team during this period shall end on the day that person leaves the team. Where a person switches teams during a taxable year, a separate duty-day calculation shall be made for the period the person was with each team.
      - (D) Days for which a member of a professional athletic team is not compensated and is not performing services for the team in any manner, including days when such member of a professional athletic team has been suspended without pay and prohibited from performing any services for the team, shall not be treated as duty days.
      - (E) Days for which a member of a professional athletic team is on the disabled list and does not conduct rehabilitation activities at facilities of the team, and is not

otherwise performing services for the team in Illinois, shall not be considered duty days spent in this State. All days on the disabled list, however, are considered to be included in total duty days spent both within and without this State.

- (4) The term "total compensation for services performed as a member of a professional athletic team" means the total compensation received during the taxable year for services performed:
  - (A) from the beginning of the official pre-season training period through the last game in which the team competes or is scheduled to compete during that taxable year; and
  - (B) during the taxable year on a date which does not fall within the foregoing period (e.g., participation in instructional leagues, the "All Star Game", or promotional caravans).

This compensation shall include, but is not limited to, salaries, wages, bonuses

as described in this subpart, and any other type of compensation paid during the taxable year to a member of a professional athletic team for services performed in that year. This compensation does not include strike benefits, severance pay, termination pay, contract or option year buy-out payments, expansion or relocation payments, or any other payments not related to services performed for the team.

For purposes of this subparagraph, "bonuses" included in "total compensation for services performed as a member of a professional athletic team" subject to the allocation described in Section 302(c)(1) are: bonuses earned as a result of play (i.e., performance bonuses) during the season, including bonuses paid for championship, playoff or "bowl" games played by a team, or for selection to all-star league or other honorary positions; and bonuses paid for signing a contract, unless the payment of the signing bonus is not conditional upon the signee playing any games for the team or performing any subsequent services for the team or even making the team, the signing bonus is payable separately from the salary and any other compensation, and the signing bonus is nonrefundable.

- (3) Sales factor.
- (A) The sales factor is a fraction, the numerator of which is the total sales of the person in this State during the taxable year, and the denominator of which is the total sales of the person everywhere during the taxable year.
  - (B) Sales of tangible personal property are in this State if:
  - (i) The property is delivered or shipped to a purchaser, other than the United States government, within this State regardless of the f. o. b. point or other conditions of the sale; or
  - (ii) The property is shipped from an office, store, warehouse, factory or other place of storage in this State and either the purchaser is the United States government or the person is not taxable in the state of the purchaser; provided, however, that premises owned or leased by a person who has independently contracted with the seller for the printing of newspapers, periodicals or books shall not be deemed to be an office, store, warehouse, factory or other place of storage for purposes of this Section. Sales of tangible personal property are not in this State if the seller and purchaser would be members of the same unitary business group but for the fact that either the seller or purchaser is a person with 80% or more of total business activity outside of the United States and the property is purchased for resale.
  - (B-1) Patents, copyrights, trademarks, and similar items of intangible personal
  - (i) Gross receipts from the licensing, sale, or other disposition of a patent, copyright, trademark, or similar item of intangible personal property, other than gross receipts governed by paragraph (B-7) of this item (3), are in this State to the extent the item is utilized in this State during the year the gross receipts are included in gross income.
    - (ii) Place of utilization.
    - (I) A patent is utilized in a state to the extent that it is employed in production, fabrication, manufacturing, or other processing in the state or to the extent that a patented product is produced in the state. If a patent is utilized in more than one state, the extent to which it is utilized in any one state shall be a fraction equal to the gross receipts of the licensee or purchaser from sales or leases of items produced, fabricated, manufactured, or processed within that state using the patent and of patented items produced within that state, divided by the total of such gross receipts for all states in which the patent is utilized.
    - (II) A copyright is utilized in a state to the extent that printing or other publication originates in the state. If a copyright is utilized in more than one state, the extent to

which it is utilized in any one state shall be a fraction equal to the gross receipts from sales or licenses of materials printed or published in that state divided by the total of such gross receipts for all states in which the copyright is utilized.

(III) Trademarks and other items of intangible personal property governed by this paragraph (B-1) are utilized in the state in which the commercial domicile of the licensee or purchaser is located.

(iii) If the state of utilization of an item of property governed by this paragraph

(B-1) cannot be determined from the taxpayer's books and records or from the books and records of any person related to the taxpayer within the meaning of Section 267(b) of the Internal Revenue Code, 26 U.S.C. 267, the gross receipts attributable to that item shall be excluded from both the numerator and the denominator of the sales factor.

(B-2) Gross receipts from the license, sale, or other disposition of patents,

copyrights, trademarks, and similar items of intangible personal property, other than gross receipts governed by paragraph (B-7) of this item (3), may be included in the numerator or denominator of the sales factor only if gross receipts from licenses, sales, or other disposition of such items comprise more than 50% of the taxpayer's total gross receipts included in gross income during the tax year and during each of the 2 immediately preceding tax years; provided that, when a taxpayer is a member of a unitary business group, such determination shall be made on the basis of the gross receipts of the entire unitary business group.

- (B-5) For taxable years ending on or after December 31, 2008, except as provided in subsections (ii) through (vii), receipts from the sale of telecommunications service or mobile telecommunications service are in this State if the customer's service address is in this State.
  - (i) For purposes of this subparagraph (B-5), the follow terms have the following meanings:

"Ancillary services" means services that are associated with or incidental to the provision of "telecommunications services", including but not limited to "detailed telecommunications billing", "directory assistance", "vertical service", and "voice mail services".

"Air-to-Ground Radiotelephone service" means a radio service, as that term is defined in 47 CFR 22.99, in which common carriers are authorized to offer and provide radio telecommunications service for hire to subscribers in aircraft.

"Call-by-call Basis" means any method of charging for telecommunications services where the price is measured by individual calls.

"Communications Channel" means a physical or virtual path of communications over which signals are transmitted between or among customer channel termination points.

"Conference bridging service" means an "ancillary service" that links two or more participants of an audio or video conference call and may include the provision of a telephone number. "Conference bridging service" does not include the "telecommunications services" used to reach the conference bridge.

"Customer Channel Termination Point" means the location where the customer either inputs or receives the communications.

"Detailed telecommunications billing service" means an "ancillary service" of separately stating information pertaining to individual calls on a customer's billing statement.

"Directory assistance" means an "ancillary service" of providing telephone number information, and/or address information.

"Home service provider" means the facilities based carrier or reseller with which

the customer contracts for the provision of mobile telecommunications services.

"Mobile telecommunications service" means commercial mobile radio service, as

defined in Section 20.3 of Title 47 of the Code of Federal Regulations as in effect on June 1, 1999.

"Place of primary use" means the street address representative of where the customer's use of the telecommunications service primarily occurs, which must be the residential street address or the primary business street address of the customer. In the case of mobile telecommunications services, "place of primary use" must be within the licensed service area of the home service provider.

"Post-paid telecommunication service" means the telecommunications service obtained by making a payment on a call-by-call basis either through the use of a credit card or payment mechanism such as a bank card, travel card, credit card, or debit card, or by charge made to a telephone number which is not associated with the origination or termination of the telecommunications service. A post-paid calling service includes telecommunications service, except a prepaid wireless calling service, that would be a prepaid calling service except it is not exclusively a telecommunication service.

"Prepaid telecommunication service" means the right to access exclusively telecommunications services, which must be paid for in advance and which enables the origination of calls using an access number or authorization code, whether manually or electronically dialed, and that is sold in predetermined units or dollars of which the number declines with use in a known amount

"Prepaid Mobile telecommunication service" means a telecommunications service that provides the right to utilize mobile wireless service as well as other non-telecommunication services, including but not limited to ancillary services, which must be paid for in advance that is sold in predetermined units or dollars of which the number declines with use in a known amount.

"Private communication service" means a telecommunication service that entitles the customer to exclusive or priority use of a communications channel or group of channels between or among termination points, regardless of the manner in which such channel or channels are connected, and includes switching capacity, extension lines, stations, and any other associated services that are provided in connection with the use of such channel or channels.

"Service address" means:

(a) The location of the telecommunications equipment to which a customer's call is charged and from which the call originates or terminates, regardless of where the call is billed or paid:

(b) If the location in line (a) is not known, service address means the origination point of the signal of the telecommunications services first identified by either the seller's telecommunications system or in information received by the seller from its service provider where the system used to transport such signals is not that of the seller; and

(c) If the locations in line (a) and line (b) are not known, the service address means the location of the customer's place of primary use.

"Telecommunications service" means the electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points. The term "telecommunications service" includes such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code or protocol of the content for purposes of transmission, conveyance or routing without regard to whether such service is referred to as voice over Internet protocol services or is classified by the Federal Communications Commission as enhanced or value added. "Telecommunications service" does not include:

- (a) Data processing and information services that allow data to be generated, acquired, stored, processed, or retrieved and delivered by an electronic transmission to a purchaser when such purchaser's primary purpose for the underlying transaction is the processed data or information;
  - (b) Installation or maintenance of wiring or equipment on a customer's premises;
  - (c) Tangible personal property;
  - (d) Advertising, including but not limited to directory advertising.
  - (e) Billing and collection services provided to third parties;
  - (f) Internet access service;
- (g) Radio and television audio and video programming services, regardless of the medium, including the furnishing of transmission, conveyance and routing of such services by the programming service provider. Radio and television audio and video programming services shall include but not be limited to cable service as defined in 47 USC 522(6) and audio and video programming services delivered by commercial mobile radio service providers, as defined in 47 CFR 20.3:
  - (h) "Ancillary services"; or
  - (i) Digital products "delivered electronically", including but not limited to software, music, video, reading materials or ring tones.

"Vertical service" means an "ancillary service" that is offered in connection with one or more "telecommunications services", which offers advanced calling features that allow customers to identify callers and to manage multiple calls and call connections, including "conference bridging services".

"Voice mail service" means an "ancillary service" that enables the customer to store, send or receive recorded messages. "Voice mail service" does not include any "vertical services" that the customer may be required to have in order to utilize the "voice mail service".

(ii) Receipts from the sale of telecommunications service sold on an individual

call-by-call basis are in this State if either of the following applies:

- (a) The call both originates and terminates in this State.
- (b) The call either originates or terminates in this State and the service address is located in this State.
- (iii) Receipts from the sale of postpaid telecommunications service at retail are in this State if the origination point of the telecommunication signal, as first identified by the service provider's telecommunication system or as identified by information received by the seller from its service provider if the system used to transport telecommunication signals is not the seller's, is located in this State.
- (iv) Receipts from the sale of prepaid telecommunications service or prepaid mobile telecommunications service at retail are in this State if the purchaser obtains the prepaid card or similar means of conveyance at a location in this State. Receipts from recharging a prepaid telecommunications service or mobile telecommunications service is in this State if the purchaser's billing information indicates a location in this State.
  - (v) Receipts from the sale of private communication services are in this State as follows:
    - (a) 100% of receipts from charges imposed at each channel termination point in this State.
    - (b) 100% of receipts from charges for the total channel mileage between each channel termination point in this State.
  - (c) 50% of the total receipts from charges for service segments when those segments are between 2 customer channel termination points, 1 of which is located in this State and the other is located outside of this State, which segments are separately charged.
  - (d) The receipts from charges for service segments with a channel termination point located in this State and in two or more other states, and which segments are not separately billed, are in this State based on a percentage determined by dividing the number of customer channel termination points in this State by the total number of customer channel termination points.
- (vi) Receipts from charges for ancillary services for telecommunications service sold to customers at retail are in this State if the customer's primary place of use of telecommunications services associated with those ancillary services is in this State. If the seller of those ancillary services cannot determine where the associated telecommunications are located, then the ancillary services shall be based on the location of the purchaser.
  - (vii) Receipts to access a carrier's network or from the sale of telecommunication services or ancillary services for resale are in this State as follows:
    - (a) 100% of the receipts from access fees attributable to intrastate
    - telecommunications service that both originates and terminates in this State.
  - (b) 50% of the receipts from access fees attributable to interstate telecommunications service if the interstate call either originates or terminates in this State.
  - (c) 100% of the receipts from interstate end user access line charges, if the customer's service address is in this State. As used in this subdivision, "interstate end user access line charges" includes, but is not limited to, the surcharge approved by the federal communications commission and levied pursuant to 47 CFR 69.
  - (d) Gross receipts from sales of telecommunication services or from ancillary services for telecommunications services sold to other telecommunication service providers for resale shall be sourced to this State using the apportionment concepts used for non-resale receipts of telecommunications services if the information is readily available to make that determination. If the information is not readily available, then the taxpayer may use any other reasonable and consistent method.
- (B-7) For taxable years ending on or after December 31, 2008, receipts from the sale of broadcasting services are in this State if the broadcasting services are received in this State. For purposes of this paragraph (B-7), the following terms have the following meanings:
- "Advertising revenue" means consideration received by the taxpayer in exchange for broadcasting services or allowing the broadcasting of commercials or announcements in connection with the broadcasting of film or radio programming, from sponsorships of the programming, or from product placements in the programming.
- "Audience factor" means the ratio that the audience or subscribers located in this State of a station, a network, or a cable system bears to the total audience or total subscribers for that station, network, or cable system. The audience factor for film or radio programming shall be determined by

reference to the books and records of the taxpayer or by reference to published rating statistics provided the method used by the taxpayer is consistently used from year to year for this purpose and fairly represents the taxpayer's activity in this State.

"Broadcast" or "broadcasting" or "broadcasting services" means the transmission or provision of film or radio programming, whether through the public airwaves, by cable, by direct or indirect satellite transmission, or by any other means of communication, either through a station, a network, or a cable system.

"Film" or "film programming" means the broadcast on television of any and all performances, events, or productions, including but not limited to news, sporting events, plays, stories, or other literary, commercial, educational, or artistic works, either live or through the use of video tape, disc, or any other type of format or medium. Each episode of a series of films produced for television shall constitute separate "film" notwithstanding that the series relates to the same principal subject and is produced during one or more tax periods.

"Radio" or "radio programming" means the broadcast on radio of any and all performances, events, or productions, including but not limited to news, sporting events, plays, stories, or other literary, commercial, educational, or artistic works, either live or through the use of an audio tape, disc, or any other format or medium. Each episode in a series of radio programming produced for radio broadcast shall constitute a separate "radio programming" notwithstanding that the series relates to the same principal subject and is produced during one or more tax periods.

- (i) In the case of advertising revenue from broadcasting, the customer is the advertiser and the service is received in this State if the commercial domicile of the advertiser is in this State.
- (ii) In the case where film or radio programming is broadcast by a station, a network, or a cable system for a fee or other remuneration received from the recipient of the broadcast, the portion of the service that is received in this State is measured by the portion of the recipients of the broadcast located in this State. Accordingly, the fee or other remuneration for such service that is included in the Illinois numerator of the sales factor is the total of those fees or other remuneration received from recipients in Illinois. For purposes of this paragraph, a taxpayer may determine the location of the recipients of its broadcast using the address of the recipient shown in its contracts with the recipient or using the billing address of the recipient in the taxpayer's records.
- (iii) In the case where film or radio programming is broadcast by a station, a network, or a cable system for a fee or other remuneration from the person providing the programming, the portion of the broadcast service that is received by such station, network, or cable system in this State is measured by the portion of recipients of the broadcast located in this State. Accordingly, the amount of revenue related to such an arrangement that is included in the Illinois numerator of the sales factor is the total fee or other total remuneration from the person providing the programming related to that broadcast multiplied by the Illinois audience factor for that broadcast.
- (iv) In the case where film or radio programming is provided by a taxpayer that is a network or station to a customer for broadcast in exchange for a fee or other remuneration from that customer the broadcasting service is received at the location of the office of the customer from which the services were ordered in the regular course of the customer's trade or business. Accordingly, in such a case the revenue derived by the taxpayer that is included in the taxpayer's Illinois numerator of the sales factor is the revenue from such customers who receive the broadcasting service in Illinois.
- (v) In the case where film or radio programming is provided by a taxpayer that is not a network or station to another person for broadcasting in exchange for a fee or other remuneration from that person, the broadcasting service is received at the location of the office of the customer from which the services were ordered in the regular course of the customer's trade or business. Accordingly, in such a case the revenue derived by the taxpayer that is included in the taxpayer's Illinois numerator of the sales factor is the revenue from such customers who receive the broadcasting service in Illinois.
  - (C) For taxable years ending before December 31, 2008, sales, other than sales governed by paragraphs (B), (B-1), and (B-2), are in this State if:
    - (i) The income-producing activity is performed in this State; or
    - (ii) The income-producing activity is performed both within and without this State
  - and a greater proportion of the income-producing activity is performed within this State than without this State, based on performance costs.
  - (C-5) For taxable years ending on or after December 31, 2008, sales, other than sales governed by paragraphs (B), (B-1), (B-2), and (B-5), and (B-7), are in this State if any of the following criteria are met:
    - (i) Sales from the sale or lease of real property are in this State if the property is located in this State.

- (ii) Sales from the lease or rental of tangible personal property are in this State if the property is located in this State during the rental period. Sales from the lease or rental of tangible personal property that is characteristically moving property, including, but not limited to, motor vehicles, rolling stock, aircraft, vessels, or mobile equipment are in this State to the extent that the property is used in this State.
  - (iii) In the case of interest, net gains (but not less than zero) and other items of income from intangible personal property, the sale is in this State if:
  - (a) in the case of a taxpayer who is a dealer in the item of intangible personal property within the meaning of Section 475 of the Internal Revenue Code, the income or gain is received from a customer in this State. For purposes of this subparagraph, a customer is in this State if the customer is an individual, trust or estate who is a resident of this State and, for all other customers, if the customer's commercial domicile is in this State. Unless the dealer has actual knowledge of the residence or commercial domicile of a customer during a taxable year, the customer shall be deemed to be a customer in this State if the billing address of the customer, as shown in the records of the dealer, is in this State; or
  - (b) in all other cases, if the income-producing activity of the taxpayer is performed in this State or, if the income-producing activity of the taxpayer is performed both within and without this State, if a greater proportion of the income-producing activity of the taxpayer is performed within this State than in any other state, based on performance costs.
  - (iv) Sales of services are in this State if the services are received in this State.
- For the purposes of this section, gross receipts from the performance of services provided to a corporation, partnership, or trust may only be attributed to a state where that corporation, partnership, or trust has a fixed place of business. If the state where the services are received is not readily determinable or is a state where the corporation, partnership, or trust receiving the service does not have a fixed place of business, the services shall be deemed to be received at the location of the office of the customer from which the services were ordered in the regular course of the customer's trade or business. If the ordering office cannot be determined, the services shall be deemed to be received at the office of the customer to which the services are billed. If the taxpayer is not taxable in the state in which the services are received, the sale must be excluded from both the numerator and the denominator of the sales factor. The Department shall adopt rules prescribing where specific types of service are received, including, but not limited to, broadcast, cable, advertising, publishing, and utility service.
- (D) For taxable years ending on or after December 31, 1995, the following items of income shall not be included in the numerator or denominator of the sales factor: dividends; amounts included under Section 78 of the Internal Revenue Code; and Subpart F income as defined in Section 952 of the Internal Revenue Code. No inference shall be drawn from the enactment of this paragraph (D) in construing this Section for taxable years ending before December 31, 1995.
- (E) Paragraphs (B-1) and (B-2) shall apply to tax years ending on or after December 31, 1999, provided that a taxpayer may elect to apply the provisions of these paragraphs to prior tax years. Such election shall be made in the form and manner prescribed by the Department, shall be irrevocable, and shall apply to all tax years; provided that, if a taxpayer's Illinois income tax liability for any tax year, as assessed under Section 903 prior to January 1, 1999, was computed in a manner contrary to the provisions of paragraphs (B-1) or (B-2), no refund shall be payable to the taxpayer for that tax year to the extent such refund is the result of applying the provisions of paragraph (B-1) or (B-2) retroactively. In the case of a unitary business group, such election shall apply to all members of such group for every tax year such group is in existence, but shall not apply to any taxpayer for any period during which that taxpayer is not a member of such group.

  (b) Insurance companies.
- (1) In general. Except as otherwise provided by paragraph (2), business income of an insurance company for a taxable year shall be apportioned to this State by multiplying such income by a fraction, the numerator of which is the direct premiums written for insurance upon property or risk in this State, and the denominator of which is the direct premiums written for insurance upon property or risk everywhere. For purposes of this subsection, the term "direct premiums written" means the total amount of direct premiums written, assessments and annuity considerations as reported for the taxable year on the annual statement filed by the company with the Illinois Director of Insurance in the form approved by the National Convention of Insurance Commissioners or such other form as may be prescribed in lieu thereof.
- (2) Reinsurance. If the principal source of premiums written by an insurance company consists of premiums for reinsurance accepted by it, the business income of such company shall be

apportioned to this State by multiplying such income by a fraction, the numerator of which is the sum of (i) direct premiums written for insurance upon property or risk in this State, plus (ii) premiums written for reinsurance accepted in respect of property or risk in this State, and the denominator of which is the sum of (iii) direct premiums written for insurance upon property or risk everywhere, plus (iv) premiums written for reinsurance accepted in respect of property or risk everywhere. For taxable years ending before December 31, 2008, for purposes of this paragraph, premiums written for reinsurance accepted in respect of property or risk in this State, whether or not otherwise determinable, may, at the election of the company, be determined on the basis of the proportion which premiums written for reinsurance accepted from companies commercially domiciled in Illinois bears to premiums written for reinsurance accepted from all sources, or, alternatively, in the proportion which the sum of the direct premiums written for insurance upon property or risk in this State by each ceding company from which reinsurance is accepted bears to the sum of the total direct premiums written by each such ceding company for the taxable year.

(c) Financial organizations.

- (1) In general. For taxable years ending before December 31, 2008, business income of a financial organization shall be apportioned to this State by multiplying such income by a fraction, the numerator of which is its business income from sources within this State, and the denominator of which is its business income from all sources. For the purposes of this subsection, the business income of a financial organization from sources within this State is the sum of the amounts referred to in subparagraphs (A) through (E) following, but excluding the adjusted income of an international banking facility as determined in paragraph (2):
  - (A) Fees, commissions or other compensation for financial services rendered within this State;
  - (B) Gross profits from trading in stocks, bonds or other securities managed within this State;
  - (C) Dividends, and interest from Illinois customers, which are received within this State;
  - (D) Interest charged to customers at places of business maintained within this State for carrying debit balances of margin accounts, without deduction of any costs incurred in carrying such accounts; and
  - (É) Any other gross income resulting from the operation as a financial organization within this State. In computing the amounts referred to in paragraphs (A) through (E) of this subsection, any amount received by a member of an affiliated group (determined under Section 1504(a) of the Internal Revenue Code but without reference to whether any such corporation is an "includible corporation" under Section 1504(b) of the Internal Revenue Code) from another member of such group shall be included only to the extent such amount exceeds expenses of the recipient directly related thereto.
  - (2) International Banking Facility. For taxable years ending before December 31, 2008:
    - (A) Adjusted Income. The adjusted income of an international banking facility is its income reduced by the amount of the floor amount.
  - (B) Floor Amount. The floor amount shall be the amount, if any, determined by multiplying the income of the international banking facility by a fraction, not greater than one, which is determined as follows:
    - (i) The numerator shall be:

The average aggregate, determined on a quarterly basis, of the financial organization's loans to banks in foreign countries, to foreign domiciled borrowers (except where secured primarily by real estate) and to foreign governments and other foreign official institutions, as reported for its branches, agencies and offices within the state on its "Consolidated Report of Condition", Schedule A, Lines 2.c., 5.b., and 7.a., which was filed with the Federal Deposit Insurance Corporation and other regulatory authorities, for the year 1980, minus

The average aggregate, determined on a quarterly basis, of such loans (other than loans of an international banking facility), as reported by the financial institution for its branches, agencies and offices within the state, on the corresponding Schedule and lines of the Consolidated Report of Condition for the current taxable year, provided, however, that in no case shall the amount determined in this clause (the subtrahend) exceed the amount determined in the preceding clause (the minuend); and

(ii) the denominator shall be the average aggregate, determined on a quarterly basis, of the international banking facility's loans to banks in foreign countries, to foreign

domiciled borrowers (except where secured primarily by real estate) and to foreign governments and other foreign official institutions, which were recorded in its financial accounts for the current taxable year.

- (C) Change to Consolidated Report of Condition and in Qualification. In the event the Consolidated Report of Condition which is filed with the Federal Deposit Insurance Corporation and other regulatory authorities is altered so that the information required for determining the floor amount is not found on Schedule A, lines 2.c., 5.b. and 7.a., the financial institution shall notify the Department and the Department may, by regulations or otherwise, prescribe or authorize the use of an alternative source for such information. The financial institution shall also notify the Department should its international banking facility fail to qualify as such, in whole or in part, or should there be any amendment or change to the Consolidated Report of Condition, as originally filed, to the extent such amendment or change alters the information used in determining the floor amount.
- (3) For taxable years ending on or after December 31, 2008, the business income of a financial organization shall be apportioned to this State by multiplying such income by a fraction, the numerator of which is its gross receipts from sources in this State or otherwise attributable to this State's marketplace and the denominator of which is its gross receipts everywhere during the taxable year. "Gross receipts" for purposes of this subparagraph (3) means gross income, including net taxable gain on disposition of assets, including securities and money market instruments, when derived from transactions and activities in the regular course of the financial organization's trade or business. The following examples are illustrative:
  - (i) Receipts from the lease or rental of real or tangible personal property are in this State if the property is located in this State during the rental period. Receipts from the lease or rental of tangible personal property that is characteristically moving property, including, but not limited to, motor vehicles, rolling stock, aircraft, vessels, or mobile equipment are from sources in this State to the extent that the property is used in this State.
  - (ii) Interest income, commissions, fees, gains on disposition, and other receipts from assets in the nature of loans that are secured primarily by real estate or tangible personal property are from sources in this State if the security is located in this State.
  - (iii) Interest income, commissions, fees, gains on disposition, and other receipts from consumer loans that are not secured by real or tangible personal property are from sources in this State if the debtor is a resident of this State.
  - (iv) Interest income, commissions, fees, gains on disposition, and other receipts from commercial loans and installment obligations that are not secured by real or tangible personal property are from sources in this State if the proceeds of the loan are to be applied in this State. If it cannot be determined where the funds are to be applied, the income and receipts are from sources in this State if the office of the borrower from which the loan was negotiated in the regular course of business is located in this State. If the location of this office cannot be determined, the income and receipts shall be excluded from the numerator and denominator of the sales factor.
  - (v) Interest income, fees, gains on disposition, service charges, merchant discount income, and other receipts from credit card receivables are from sources in this State if the card charges are regularly billed to a customer in this State.
  - (vi) Receipts from the performance of services, including, but not limited to, fiduciary, advisory, and brokerage services, are in this State if the services are received in this State within the meaning of subparagraph (a)(3)(C-5)(iv) of this Section.
  - (vii) Receipts from the issuance of travelers checks and money orders are from sources in this State if the checks and money orders are issued from a location within this State.
    - (viii) Receipts from investment assets and activities and trading assets and activities are included in the receipts factor as follows:
    - (1) Interest, dividends, net gains (but not less than zero) and other income from investment assets and activities from trading assets and activities shall be included in the receipts factor. Investment assets and activities and trading assets and activities include but are not limited to: investment securities; trading account assets; federal funds; securities purchased and sold under agreements to resell or repurchase; options; futures contracts; forward contracts; notional principal contracts such as swaps; equities; and foreign currency transactions. With respect to the investment and trading assets and activities described in subparagraphs (A) and (B) of this paragraph, the receipts factor shall include the amounts described in such subparagraphs.
      - (A) The receipts factor shall include the amount by which interest from federal funds sold and securities purchased under resale agreements exceeds interest expense on federal funds purchased and securities sold under repurchase agreements.

- (B) The receipts factor shall include the amount by which interest, dividends, gains and other income from trading assets and activities, including but not limited to assets and activities in the matched book, in the arbitrage book, and foreign currency transactions, exceed amounts paid in lieu of interest, amounts paid in lieu of dividends, and losses from such assets and activities.
- (2) The numerator of the receipts factor includes interest, dividends, net gains (but not less than zero), and other income from investment assets and activities and from trading assets and activities described in paragraph (1) of this subsection that are attributable to this State
  - (A) The amount of interest, dividends, net gains (but not less than zero), and other income from investment assets and activities in the investment account to be attributed to this State and included in the numerator is determined by multiplying all such income from such assets and activities by a fraction, the numerator of which is the gross income from such assets and activities which are properly assigned to a fixed place of business of the taxpayer within this State and the denominator of which is the gross income from all such assets and activities.
  - (B) The amount of interest from federal funds sold and purchased and from securities purchased under resale agreements and securities sold under repurchase agreements attributable to this State and included in the numerator is determined by multiplying the amount described in subparagraph (A) of paragraph (1) of this subsection from such funds and such securities by a fraction, the numerator of which is the gross income from such funds and such securities which are properly assigned to a fixed place of business of the taxpayer within this State and the denominator of which is the gross income from all such funds and such securities.
  - (C) The amount of interest, dividends, gains, and other income from trading assets and activities, including but not limited to assets and activities in the matched book, in the arbitrage book and foreign currency transactions (but excluding amounts described in subparagraphs (A) or (B) of this paragraph), attributable to this State and included in the numerator is determined by multiplying the amount described in subparagraph (B) of paragraph (1) of this subsection by a fraction, the numerator of which is the gross income from such trading assets and activities which are properly assigned to a fixed place of business of the taxpayer within this State and the denominator of which is the gross income from all such assets and activities.
  - (D) Properly assigned, for purposes of this paragraph (2) of this subsection, means the investment or trading asset or activity is assigned to the fixed place of business with which it has a preponderance of substantive contacts. An investment or trading asset or activity assigned by the taxpayer to a fixed place of business without the State shall be presumed to have been properly assigned if:
    - (i) the taxpayer has assigned, in the regular course of its business, such asset or activity on its records to a fixed place of business consistent with federal or state regulatory requirements;
      - (ii) such assignment on its records is based upon substantive contacts of the asset or activity to such fixed place of business; and
    - (iii) the taxpayer uses such records reflecting assignment of such assets or activities for the filing of all state and local tax returns for which an assignment of such assets or activities to a fixed place of business is required.
  - (E) The presumption of proper assignment of an investment or trading asset or activity provided in subparagraph (D) of paragraph (2) of this subsection may be rebutted upon a showing by the Department, supported by a preponderance of the evidence, that the preponderance of substantive contacts regarding such asset or activity did not occur at the fixed place of business to which it was assigned on the taxpayer's records. If the fixed place of business that has a preponderance of substantive contacts cannot be determined for an investment or trading asset or activity to which the presumption in subparagraph (D) of paragraph (2) of this subsection does not apply or with respect to which that presumption has been rebutted, that asset or activity is properly assigned to the state in which the taxpayer's commercial domicile is located. For purposes of this subparagraph (E), it shall be presumed, subject to rebuttal, that taxpayer's commercial domicile is in the state of the United States or the District of Columbia to which the greatest number of employees are regularly connected with the management of the investment or trading income or out of which they are working,

irrespective of where the services of such employees are performed, as of the last day of the taxable year.

- (4) (Blank).
- (5) (Blank).
- (d) Transportation services. For taxable years ending before December 31, 2008, business income derived from furnishing transportation services shall be apportioned to this State in accordance with paragraphs (1) and (2):
  - (1) Such business income (other than that derived from transportation by pipeline) shall be apportioned to this State by multiplying such income by a fraction, the numerator of which is the revenue miles of the person in this State, and the denominator of which is the revenue miles of the person everywhere. For purposes of this paragraph, a revenue mile is the transportation of 1 passenger or 1 net ton of freight the distance of 1 mile for a consideration. Where a person is engaged in the transportation of both passengers and freight, the fraction above referred to shall be determined by means of an average of the passenger revenue mile fraction and the freight revenue mile fraction, weighted to reflect the person's
    - (A) relative railway operating income from total passenger and total freight service, as reported to the Interstate Commerce Commission, in the case of transportation by railroad, and
      - (B) relative gross receipts from passenger and freight transportation, in case of transportation other than by railroad.
  - (2) Such business income derived from transportation by pipeline shall be apportioned to this State by multiplying such income by a fraction, the numerator of which is the revenue miles of the person in this State, and the denominator of which is the revenue miles of the person everywhere. For the purposes of this paragraph, a revenue mile is the transportation by pipeline of 1 barrel of oil, 1,000 cubic feet of gas, or of any specified quantity of any other substance, the distance of 1 mile for a consideration.
  - (3) For taxable years ending on or after December 31, 2008, business income derived from providing transportation services other than airline services shall be apportioned to this State by using a fraction, (a) the numerator of which shall be (i) all receipts from any movement or shipment of people, goods, mail, oil, gas, or any other substance (other than by airline) that both originates and terminates in this State, plus (ii) that portion of the person's gross receipts from movements or shipments of people, goods, mail, oil, gas, or any other substance (other than by airline) that originates in one state or jurisdiction and terminates in another state or jurisdiction, that is determined by the ratio that the miles traveled in this State bears to total miles everywhere and (b) the denominator of which shall be all revenue derived from the movement or shipment of people, goods, mail, oil, gas, or any other substance (other than by airline). Where a taxpayer is engaged in the transportation of both passengers and freight, the fraction above referred to shall first be determined separately for passenger miles and freight miles. Then an average of the passenger miles fraction and the freight miles fraction shall be weighted to reflect the taxpayer's:
    - (A) relative railway operating income from total passenger and total freight service, as reported to the Surface Transportation Board, in the case of transportation by railroad; and
      - (B) relative gross receipts from passenger and freight transportation, in case of transportation other than by railroad.
  - (4) For taxable years ending on or after December 31, 2008, business income derived from furnishing airline transportation services shall be apportioned to this State by multiplying such income by a fraction, the numerator of which is the revenue miles of the person in this State, and the denominator of which is the revenue miles of the person everywhere. For purposes of this paragraph, a revenue mile is the transportation of one passenger or one net ton of freight the distance of one mile for a consideration. If a person is engaged in the transportation of both passengers and freight, the fraction above referred to shall be determined by means of an average of the passenger revenue mile fraction and the freight revenue mile fraction, weighted to reflect the person's relative gross receipts from passenger and freight airline transportation.
- (e) Combined apportionment. Where 2 or more persons are engaged in a unitary business as described in subsection (a)(27) of Section 1501, a part of which is conducted in this State by one or more members of the group, the business income attributable to this State by any such member or members shall be apportioned by means of the combined apportionment method.
- (f) Alternative allocation. If the allocation and apportionment provisions of subsections (a) through (e) and of subsection (h) do not fairly represent the extent of a person's business activity in this State, the

person may petition for, or the Director may, without a petition, permit or require, in respect of all or any part of the person's business activity, if reasonable:

- (1) Separate accounting:
- (2) The exclusion of any one or more factors;
- (3) The inclusion of one or more additional factors which will fairly represent the person's business activities in this State; or
- (4) The employment of any other method to effectuate an equitable allocation and apportionment of the person's business income.
- (g) Cross reference. For allocation of business income by residents, see Section 301(a).
- (h) For tax years ending on or after December 31, 1998, the apportionment factor of persons who apportion their business income to this State under subsection (a) shall be equal to:
  - (1) for tax years ending on or after December 31, 1998 and before December 31, 1999, 16
  - 2/3% of the property factor plus 16 2/3% of the payroll factor plus 66 2/3% of the sales factor;
    - (2) for tax years ending on or after December 31, 1999 and before December 31, 2000, 8
  - 1/3% of the property factor plus 8 1/3% of the payroll factor plus 83 1/3% of the sales factor;
    - (3) for tax years ending on or after December 31, 2000, the sales factor.

If, in any tax year ending on or after December 31, 1998 and before December 31, 2000, the denominator of the payroll, property, or sales factor is zero, the apportionment factor computed in paragraph (1) or (2) of this subsection for that year shall be divided by an amount equal to 100% minus the percentage weight given to each factor whose denominator is equal to zero.

(Source: P.A. 94-247, eff. 1-1-06; 95-233, eff. 8-16-07; 95-707, eff. 1-11-08.)

Section 99. Effective date. This Act takes effect upon becoming law.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 3 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

#### READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Schoenberg, **Senate Bill No. 1739**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 49; NAYS None.

The following voted in the affirmative:

Althoff	Frerichs	Lauzen	Raoul
Bivins	Garrett	Lightford	Righter
Bond	Haine	Link	Risinger
Brady	Harmon	Luechtefeld	Schoenberg
Burzynski	Holmes	Maloney	Steans
Collins	Hultgren	Martinez	Sullivan
Crotty	Hunter	McCarter	Syverson
Dahl	Hutchinson	Millner	Viverito
Delgado	Jacobs	Munoz	Wilhelmi
Demuzio	Jones, E.	Murphy	Mr. President
Dillard	Jones, J.	Noland	
Duffy	Koehler	Pankau	
Forby	Kotowski	Radogno	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

[April 30, 2009]

At the hour of 1:43 o'clock p.m., Senator Schoenberg, presiding.

#### SENATE BILL RECALLED

On motion of Senator Harmon, **Senate Bill No. 1715** was recalled from the order of third reading to the order of second reading.

Senator Harmon offered the following amendment and moved its adoption:

#### **AMENDMENT NO. 3 TO SENATE BILL 1715**

AMENDMENT NO. <u>3</u>. Amend Senate Bill 1715, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Public Labor Relations Act is amended by changing Section 7 as follows: (5 ILCS 315/7) (from Ch. 48, par. 1607)

Sec. 7. Duty to bargain. A public employer and the exclusive representative have the authority and the duty to bargain collectively set forth in this Section.

For the purposes of this Act, "to bargain collectively" means the performance of the mutual obligation of the public employer or his designated representative and the representative of the public employees to meet at reasonable times, including meetings in advance of the budget-making process, and to negotiate in good faith with respect to wages, hours, and other conditions of employment, not excluded by Section 4 of this Act, or the negotiation of an agreement, or any question arising thereunder and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession.

The duty "to bargain collectively" shall also include an obligation to negotiate over any matter with respect to wages, hours and other conditions of employment, not specifically provided for in any other law or not specifically in violation of the provisions of any law. If any other law pertains, in part, to a matter affecting the wages, hours and other conditions of employment, such other law shall not be construed as limiting the duty "to bargain collectively" and to enter into collective bargaining agreements containing clauses which either supplement, implement, or relate to the effect of such provisions in other laws.

The duty "to bargain collectively" shall also include negotiations as to the terms of a collective bargaining agreement. The parties may, by mutual agreement, provide for arbitration of impasses resulting from their inability to agree upon wages, hours and terms and conditions of employment to be included in a collective bargaining agreement. Such arbitration provisions shall be subject to the Illinois "Uniform Arbitration Act" unless agreed by the parties.

The duty "to bargain collectively" shall also mean that no party to a collective bargaining contract shall terminate or modify such contract, unless the party desiring such termination or modification:

- (1) serves a written notice upon the other party to the contract of the proposed termination or modification 60 days prior to the expiration date thereof, or in the event such contract contains no expiration date, 60 days prior to the time it is proposed to make such termination or modification;
- (2) offers to meet and confer with the other party for the purpose of negotiating a new contract or a contract containing the proposed modifications;
- (3) notifies the Board within 30 days after such notice of the existence of a dispute, provided no agreement has been reached by that time; and
- (4) continues in full force and effect, without resorting to strike or lockout, all the terms and conditions of the existing contract for a period of 60 days after such notice is given to the other party or until the expiration date of such contract, whichever occurs later.

The duties imposed upon employers, employees and labor organizations by paragraphs (2), (3) and (4) shall become inapplicable upon an intervening certification of the Board, under which the labor organization, which is a party to the contract, has been superseded as or ceased to be the exclusive representative of the employees pursuant to the provisions of subsection (a) of Section 9, and the duties so imposed shall not be construed as requiring either party to discuss or agree to any modification of the terms and conditions contained in a contract for a fixed period, if such modification is to become effective before such terms and conditions can be reopened under the provisions of the contract.

Collective bargaining for personal care attendants and personal assistants under the Home Services Program shall be limited to the terms and conditions of employment under the State's control, as defined

in the amendatory Act of the 93rd General Assembly.

Collective bargaining for child and day care home providers under the child care assistance program shall be limited to the terms and conditions of employment under the State's control, as defined in this amendatory Act of the 94th General Assembly.

Notwithstanding any other provision of this Section, whenever collective bargaining is for the purpose of establishing an initial agreement following original certification of units with fewer than 35 employees, with respect to public employees other than peace officers, fire fighters, and security employees, the following apply:

- (1) Not later than 10 days after receiving a written request for collective bargaining from a labor organization that has been newly certified as a representative as defined in Section 6(c), or within such further period as the parties agree upon, the parties shall meet and commence to bargain collectively and shall make every reasonable effort to conclude and sign a collective bargaining agreement.
- (2) If anytime after the expiration of the 90-day period beginning on the date on which bargaining is commenced the parties have failed to reach an agreement, either party may notify the Illinois Public Labor Relations Board of the existence of a dispute and request mediation in accordance with the provisions of Section 14 of this Act.
- (3) If after the expiration of the 30-day period beginning on the date on which mediation commenced, or such additional period as the parties may agree upon, the mediator is not able to bring the parties to agreement by conciliation, either the exclusive representative of the employees or the employer may request of the other, in writing, arbitration and shall submit a copy of the request to the board. Upon submission of the request for arbitration, the parties shall be required to participate in the impasse arbitration procedures set forth in Section 14 of this Act, except the right to strike shall not be considered waived pursuant to Section 17 of this Act, until the actual convening of the arbitration hearing.

(Source: P.A. 93-204, eff. 7-16-03; 94-320, eff. 1-1-06.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 3 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

### READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Harmon, **Senate Bill No. 1715**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 51; NAYS None.

The following voted in the affirmative:

Althoff	Duffy	Koehler	Pankau
Bivins	Forby	Kotowski	Radogno
Bomke	Frerichs	Lauzen	Raoul
Bond	Garrett	Lightford	Righter
Brady	Haine	Link	Risinger
Burzynski	Harmon	Luechtefeld	Schoenberg
Collins	Holmes	Maloney	Steans
Crotty	Hultgren	Martinez	Sullivan
Dahl	Hunter	McCarter	Syverson
DeLeo	Hutchinson	Millner	Viverito
Delgado	Jacobs	Munoz	Wilhelmi
Demuzio	Jones, E.	Murphy	Mr. President
Dillard	Jones, J.	Noland	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

[April 30, 2009]

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Lightford, **Senate Bill No. 612**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 48; NAYS None.

The following voted in the affirmative:

Forby	Kotowski	Radogno
Frerichs	Lauzen	Raoul
Garrett	Lightford	Righter
Haine	Link	Steans
Harmon	Luechtefeld	Sullivan
Holmes	Maloney	Syverson
Hultgren	Martinez	Viverito
Hunter	McCarter	Wilhelmi
Hutchinson	Millner	Mr. President
Jacobs	Munoz	
Jones, E.	Murphy	
Jones, J.	Noland	
Koehler	Pankau	
	Frerichs Garrett Haine Harmon Holmes Hultgren Hunter Hutchinson Jacobs Jones, E. Jones, J.	Frerichs Lauzen Garrett Lightford Haine Link Harmon Luechtefeld Holmes Maloney Hultgren Martinez Hunter McCarter Hutchinson Millner Jacobs Munoz Jones, E. Murphy Jones, J. Noland

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

#### ANNOUNCEMENT

Senator Sullivan announced an informational budget meeting for the democratic caucus to begin at 2:00 o'clock p.m. in the sixth floor conference room.

#### MESSAGE FROM THE HOUSE

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has adopted the following joint resolution, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

# **HOUSE JOINT RESOLUTION NO. 52**

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that when the two Houses adjourn on Thursday, April 30, 2009, they stand adjourned until Tuesday, May 05, 2009 at 12:00 o'clock noon.

Adopted by the House, April 30, 2009.

MARK MAHONEY, Clerk of the House

By unanimous consent, on motion of Senator Harmon, the foregoing message reporting House Joint Resolution No. 52 was taken up for immediate consideration.

Senator Harmon moved that the Senate concur with the House in the adoption of the resolution.

The motion prevailed.

And the Senate concurred with the House in the adoption of the resolution.

Ordered that the Secretary inform the House of Representatives thereof.

#### RESOLUTIONS CONSENT CALENDAR

#### **SENATE RESOLUTION NO. 238**

Offered by Senator Wilhelmi and all Senators:

Mourns the death of Sam Suitca of Joliet.

#### **SENATE RESOLUTION NO. 239**

Offered by Senator Lightford and all Senators:

Mourns the death of Arnie Frank Bryant.

#### **SENATE RESOLUTION NO. 240**

Offered by Senator Munoz and all Senators:

Mourns the death of Arturo Velasquez.

#### **SENATE RESOLUTION NO. 241**

Offered by Senator Koehler and all Senators:

Mourns the death of Kerry Ann Benassi of Peoria.

# **SENATE RESOLUTION NO. 242**

Offered by Senator Link and all Senators:

Mourns the death of Edward Chrapkowski of Gurnee.

# **SENATE RESOLUTION NO. 243**

Offered by Senator Lauzen and all Senators:

Mourns the death of John Szilage of Batavia.

#### **SENATE RESOLUTION NO. 245**

Offered by Senator Lauzen and all Senators:

Mourns the death of Stephen J. Andras of Aurora.

## **SENATE RESOLUTION NO. 246**

Offered by Senator Hunter and all Senators:

Mourns the death of Willie Mae McEwen

#### **SENATE RESOLUTION NO. 247**

Offered by Senator Koehler and all Senators:

Mourns the death of Kenneth Decker of East Peoria.

# **SENATE RESOLUTION NO. 248**

Offered by Senator Dillard and all Senators:

Mourns the death of Anthony A. Antoniou of Oak Brook.

The Chair moved the adoption of the Resolutions Consent Calendar. The motion prevailed, and the resolutions were adopted.

At the hour of 1:56 o'clock p.m., pursuant to **House Joint Resolution No. 52**, the Chair announced the Senate stand adjourned until Tuesday, May 5, 2009, at 12:00 o'clock noon.